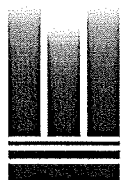


INDEPENDENT ACCOUNTANT'S REPORT

TOWN OF MARTHA, OKLAHOMA

JULY 1, 2013 TO JUNE 30, 2014

BY



FURRH
& ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS



Independent Accountant's Report

To the Specified Users of the Report:

Town Council, Town of Martha
Martha, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Martha, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of the General Fund-Cash Basis and the Public Works Authority Fund-Cash Basis, for the fiscal year ended June 30, 2014 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting information in the form of financial statements prescribed by Oklahoma Statutes that is the representation of the management. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Management is responsible for the preparation and fair presentation of the accompanying statements in accordance with their comprehensive basis of accounting. Management is also responsible for the designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Town of Martha is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agree-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Finding

As to the **Town of Martha** as of and for the fiscal year ended June 30, 2014:

- 1. Procedures Performed:** From the Town's trial balances, we prepared a summary of changes in fund balances for each major fund and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: We found no instances of noncompliance.

- 2. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

Findings: We found no instances of noncompliance.

- 3. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the PWA Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

Findings: We found no instances of noncompliance.

4. Procedures Performed: We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: We found no instances of noncompliance.

5. Procedures Performed: We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: We found no instances of noncompliance.

6. Procedures Performed: From the Town's trial balances, we compiled the Annual Survey of City and City Finances (SA&I 2643) as described in Oklahoma Statutes 11-17-105.1.

Findings: We found no instances of noncompliance.

As to the **Town of Martha Grant Programs**, as of and for the fiscal year ended June 30, 2014:

1. Procedures Performed: From the Town's trial balances, we prepared a schedule of grant activity for each grant and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement(s).

Findings: We found four instances of noncompliance. They have unexpended grant funds for fiscal year ending June 30, 2007, 2010, 2011, and 2012.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.



FURRH & ASSOCIATES, PC

September 1, 2014

TOWN OF MARTHA, OK
SUMMARY OF CHANGES IN FUND BALANCE - CASH BASIS
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	<u>Beginning of Year Fund</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balances</u>
General Fund	\$ 6,400	\$ 39,398	\$ 38,940	\$ 6,858
Public Works Authority	28,230	51,497	58,394	21,333
Fire Department	8,777	4,474	4,528	8,723
OWRB Grant	5	0	0	5
Dept. of AG Grant	3	0	0	3
Overall Totals	<u>\$ 43,415</u>	<u>\$ 95,369</u>	<u>\$ 101,862</u>	<u>\$ 36,922</u>

Please see accompanying Accountant's Report.

TOWN OF MARTHA, OK
BUDGETARY COMPARISON SCHEDULE-CASH BASIS
GENERAL FUND
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	Original / Final Budget	Actual Amounts	Variance with Final Budget Over (Under)
Beginning Budgetary Fund Balance:	\$ 6,400	\$ 6,400	\$ 0
Resources (Inflows):			
Garbage	20,000	23,851	3,851
Transfer in from PWA	5,000	5,000	0
Fire Revenue	5,000	4,765	(235)
Franchise Tax Income	3,000	2,914	(86)
Motor Vehicle Tax	1,500	1,231	(269)
Alcoholic Beverages Tax	750	842	92
Gas Tax	400	411	11
Miscellaneous Income	0	384	384
Total Inflows	35,650	39,398	3,748
Amounts Available for Appropriation	42,050	45,798	3,748
Charges to Appropriations (Outflows):			
Personal Services	2,550	2,263	(287)
Maintenance, Operations, Repairs	39,500	36,677	(2,823)
Transfers Out	0	0	0
Total Charges to Appropriations	42,050	38,940	(3,110)
Ending Budgetary Fund Balance:	\$ 0	\$ 6,858	\$ (6,858)

Please see accompanying Accountant's Report.

TOWN OF MARTHA, OK
BUDGETARY COMPARISON SCHEDULE-CASH BASIS
PUBLIC WORKS AUTHORITY FUND
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	Original / Final Budget	Actual Amounts	Variance with Final Budget Over (Under)
Beginning Budgetary Fund Balance:	\$ 28,230	\$ 28,230	\$ 0
Resources (Inflows):			
Water and Sewer Receipts	45,000	49,397	4,397
Meter Deposits	1,200	2,100	900
Miscellaneous Income	0	0	0
Transfers In	0	0	0
Total Inflows	46,200	51,497	5,297
Amounts Available for Appropriation	74,430	79,727	5,297
Charges to Appropriations (Outflows):			
Personal Services	20,000	13,000	(7,000)
Maintenance, Operations, Repairs	45,000	40,394	(4,606)
Transfers Out	9,430	5,000	(4,430)
Total Charges to Appropriations	74,430	58,394	(16,036)
Ending Budgetary Fund Balance:	\$ 0	\$ 21,333	\$ 21,333

Please see accompanying Accountant's Report.

TOWN OF MARTHA, OK
SCHEDULE- OF REVENUE AND EXPENDITURES
OPERATIONAL FIRE GRANT - FY 07
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	Cumulative	Current	
	06/30/13	Year	Total
<u>Revenue</u>			
Grant Funds	<u>\$ 6</u>	<u>\$ 0</u>	<u>\$ 6</u>
Total Revenue	6	0	6
<u>Expenditures</u>			
Maintenance, Operations & Repairs	<u>0</u>	<u>6</u>	<u>6</u>
Total Expenditures	0	6	6
<u>Revenue Over (Under) Expenditures</u>	<u><u>\$ 6</u></u>	<u><u>\$ (6)</u></u>	<u><u>\$ 0</u></u>

Please see accompanying Accountant's Report.

TOWN OF MARTHA, OK
SCHEDULE- OF REVENUE AND EXPENDITURES
OPERATIONAL FIRE GRANT - FY 10
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	<u>Cumulative</u> <u>06/30/13</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<u>Revenue</u>			
Grant Funds	<u>\$ 3,820</u>	<u>\$ 0</u>	<u>\$ 3,820</u>
Total Revenue	3,820	0	3,820
<u>Expenditures</u>			
Maintenance, Operations & Repairs	<u>0</u>	<u>3,645</u>	<u>3,645</u>
Total Expenditures	0	3,645	3,645
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 3,820</u>	<u>\$ (3,645)</u>	<u>\$ 175</u>

Please see accompanying Accountant's Report.

TOWN OF MARTHA, OK
SCHEDULE- OF REVENUE AND EXPENDITURES
OPERATIONAL FIRE GRANT - FY 11
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	<u>Cumulative</u> <u>06/30/13</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<u>Revenue</u>			
Grant Funds	<u>\$ 538</u>	<u>\$ 0</u>	<u>\$ 538</u>
Total Revenue	538	0	538
<u>Expenditures</u>			
Maintenance, Operations & Repairs	<u>0</u>	<u>505</u>	<u>505</u>
Total Expenditures	0	505	505
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 538</u>	<u>\$ (505)</u>	<u>\$ 33</u>

Please see accompanying Accountant's Report.

TOWN OF MARTHA, OK
SCHEDULE- OF REVENUE AND EXPENDITURES
OPERATIONAL FIRE GRANT - FY 12
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	<u>Cumulative</u> <u>06/30/13</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<u>Revenue</u>			
Grant Funds	<u>\$ 4,413</u>	<u>\$ 0</u>	<u>\$ 4,413</u>
Total Revenue	4,413	0	4,413
<u>Expenditures</u>			
Maintenance, Operations & Repairs	<u>0</u>	<u>372</u>	<u>372</u>
Total Expenditures	0	372	372
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 4,413</u>	<u>\$ (372)</u>	<u>\$ 4,041</u>

Please see accompanying Accountant's Report.

TOWN OF MARTHA, OK
SCHEDULE- OF REVENUE AND EXPENDITURES
OPERATIONAL FIRE GRANT - FY 14
For the Fiscal Year Ended June 30, 2014
(Unaudited)

	Cumulative	Current	
	06/30/13	Year	Total
<u>Revenue</u>			
Grant Funds	\$ 0	\$ 4,474	\$ 4,474
Total Revenue	0	4,474	4,474
<u>Expenditures</u>			
Maintenance, Operations & Repairs	0	0	0
Total Expenditures	0	0	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 0</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>

Please see accompanying Accountant's Report.